

Message Text

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SUBJECT: CUBA TRADE

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1. APRIL 26 OTTAWA JOURNAL CARRIES ARTICLE BY ITS WASHINGTON CORRESPONDENT, PAUL WHITELOW, ENTITLED "ARGENTINE CASE SHOWS ELASTICITY OF U.S. CUBA BAN: ECONOMIC EXPEDIENCY PLACED ABOVE ANTI-CASTRO IDEOLOGY." EXCERPTS FOLLOW. BEGIN VERBATIM TEXT:

TOP-LEVEL SPOKESMEN FOR THE U.S. STATE DEPARTMENT INSISTED THAT THE GRANTING OF SPECIAL EXPORT LICENCES TO THE BIG THREE AUTO MAKERS WAS AN EXCEPTION -- TO ALLOW THEM TO CONFORM TO ARGENTINE LAW. THEY TOOK PAINS TO POINT OUT THAT THE MOVE SHOULD NOT BE INTERPRETED AS A SIGN THAT THE U.S. EMBARGO WOULD BE LIFTED OR AS A THAWING IN RELATIONS BETWEEN WASHINGTON AND HAVANA.

YET, DESPITE THESE ADAMANT DEFENCES OF AMERICAN POLICY, THE FACT IS THAT THE NIXON ADMINISTRATION CHOSE TO PLACE ECONOMIC AND POLITICAL EXPEDIENCY ABOVE ANTI-CASTRO

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IDEOLOGY.

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THERE WOULD APPEAR TO BE A LESSON IN ALL THIS FOR COUNTRIES WHICH HOST AMERICAN SUBSIDIARIES: THAT THE HIGH-FLOWN IDEOLOGICAL RHETORIC WHICH RESULTS IN THE CONTINUING EMBARGO ON CUBA IS FOR DOMESTIC POLITICAL CONSUMPTION. THE ELASTICITY OF THAT POLITICAL CONVICTION IS DEMONSTRATED BY THE ARGENTINE CASE, AND EVEN MORE INTERESTINGLY BY THE RECENT SIGNING OF A CONTRACT BETWEEN CUBA AND A U.S.-OWNED FIRM IN MONTREAL FOR THE SALE AND REPAIR OF LOCOMOTIVES.

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THE "NON REACTION" OF THE UNITED STATES TO THE MLW-WORTHINGTON CASE IS AS INTERESTING AS THE MANNER IN WHICH THE U.S. BUCKLED UNDER THREAT AND ISSUED EXPORT LICENCES TO THE U.S. AUTO MANUFACTURERS. INDEED, IT APPEARS THAT NOTHING WOULD PLEASE THE U.S. STATE DEPARTMENT MORE THAN IF ALL CONCERNED WOULD FORGET OR IGNORE THE ACTION OF THE MONTREAL SUBSIDIARY.

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CERTAINLY, THERE IS LITTLE LIKELIHOOD THAT THE U.S. WILL RETALIATE AGAINST CANADA FOR ENCOURAGING THE MONTREAL FIRM TO VIOLATE THE EMBARGO. IT APPEARS, IN FACT, THAT U.S. AND CANADIAN OFFICIALS HAVE QUIETLY AGREED TO CLOSE THE BOOK ON THE CONTROVERSIAL MLW-WORTHINGTON DEAL.

BUT, THE HANDLING OF THE ARGENTINE AND CANADIAN CASES HAS NOT SOLVED THE ISSUE OF THE 13-YEAR-OLD CUBAN EMBARGO -- AN EMBARRASSMENT FOR WASHINGTON AND AN INFRINGEMENT ON THE SOVEREIGNTY OF OTHER COUNTRIES WHICH HOST U.S. MULTINATIONAL FIRMS. END VERBATIM TEXT. PORTER

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